

WEST NORTHAMPTONSHIRE COUNCIL COUNCIL

30 November 2023

Cabinet Member for Finance: Councillor Malcolm Longley

Report Title **Local Council Tax Reduction Scheme 2024-2025**

Report Author **Martin Henry, Executive Director, Finance**

List of Approvers

Monitoring Officer	Cath Whitehead	26/10/2023
Chief Finance Officer (S.151)	Martin Henry	26/10/2023
Communications Lead/Head of Communications	Becky Hutson	26/10/2023

List of Appendices

None

1. Purpose of Report

- 1.1. This report provides members with an update on the Local Council Tax Reduction Scheme (LCTRS) for West Northamptonshire Council (WNC) for the financial year 2023-2024 and asks members to approve a no change scheme for the financial year 2024-2025 in line with the recommendation from Cabinet.

2. Executive Summary

- 1.2. The LCTRS must be approved and in place by 31 January each year. The scheme applies to working age claimants only, as the government prescribes the scheme for those of pension age which provides up to 100% support based on the circumstances of the individual.

1.3. On 3 November 2022 Council approved a scheme for 2023-2024 based on 20% minimum payment and with some minor changes to the local regulations relating to benefit uprating.

2.1 At their meeting on 14 November 2023 Cabinet members received a report on the LCTRS proposals for 2024-2025 and were asked to recommend to Council and LCTRS for financial year 2024-2025.

3. Recommendations

3.1 It is recommended that the Council :

- a) Notes the contents of this report
- b) Approves a Local Council Tax Reduction Scheme for the financial year 2024-2025 as set out in the report including amending the LCTRS Regulations for pensioners in line with the uprating announced by DLUHC and uprating the working age Regulations in line with those announced by Department for Work and Pensions (DWP).
- c) Give delegated authority to the Executive Director, Finance to make any changes to the LCTRS regulations up to and including 31 January 2024 in consultation with the Portfolio Holder for Finance.

4. Reason for Recommendations

To enable a Council Tax Reduction Scheme to be agreed for West Northants Council for the financial year 2024-25 to be in place by 31 January 2024

5. Report Background

5.1 From April 2013 each Local Authority has been required to determine a LCTRS, which replaced the national Council Tax Benefit scheme. The scheme applies to working age claimants only as the government provides a prescribed scheme (CTRS Prescribed Requirements Regulations 2012) for those of pension age, which provides up to 100% support based on the circumstances of the individual.

5.2 Each billing authority has discretion as to their local scheme, including the maximum support available to working age claimants (and the minimum percentage of the Council Tax bill they are required to pay) and the eligibility criteria for the scheme.

5.3 In November 2022 members agreed a LCTRS based on a minimum Council Tax contribution for working age claimants of 20% and some minor changes to the local regulations relating to benefit uprating. This scheme has been in place since April 2023.

6. Issues and Choices

Update on the LCTRS for 2023-2024 and impact on Council tax collection

6.1 As of June 2022, the total number of people in receipt of LCTRS was 19,294, 11,531 of which are of working age. As of September 2023, the total number of people in receipt of LCTRS is 18,584 with 10,8991 being of working age. The estimated cost of the scheme for 2023-2024 is £19.8m.

6.2 Council Tax collection rate for West Northants for 2022-2023 is 96.97% which is an improvement on 2021-2022 collection rate of 96.48%. It also compares well to the national average collection rate of 96.02% and a national average for unitary councils of 96.20%. We continue to monitor the collection rates each month and as of September 2023 the profiled collection rates are 56.92% against a target of 57.74%.

7. Implications (including financial implications)

7.1 Resources and Financial

7.1.1 It is anticipated that the proposal to keep the LCTRS scheme the same for 2024-25 can be contained within existing budgets.

7.2 Legal

7.2.1 The adoption of a Local Council Tax Reduction Scheme for West Northants is a legal requirement and is set out in Council Tax Reduction Scheme (Prescribed Requirements)(England) (Regulations 2012 (as amended by the Council Tax Reduction Schemes (Prescribed Requirements)(England) (Amendment) Regulations 2021).

7.2.2 If the proposal for a no-change scheme is agreed there is no requirement to consult on the LCTRS for 2024-20245

7.3 Risk

7.3.1 There are no significant risks arising from the proposed recommendations in this report.

7.4 Consultation and Communications

7.4.1 No consultation is required if the scheme remains unchanged for 2024-2025. Subject to the outcomes at Council, communications activities will be undertaken to raise wider awareness of the scheme among the public.

7.5 Consideration by Overview and Scrutiny

7.5.1 Not considered by Overview and Scrutiny.

7.6 Climate Impact

7.6.1 No impacts identified.

7.7 Community Impact

7.7.1 No specific impacts have been identified. An Equality Impact Assessment has been carried out for 2024-2025.

8 Background Papers

8.1 None